# OLR Bill Analysis sSB 1040 (File 315, as amended by Senate "A")\*

## AN ACT CONCERNING COUNTERFEIT AND NONFUNCTIONAL AIRBAGS.

#### SUMMARY:

This bill:

- 1. increases the penalty for selling motor vehicle air bags that do not meet federal safety standards, makes it a crime to install counterfeit or nonfunctional airbags, and makes other changes in airbag laws; and
- 2. requires a municipal police officer to issue a written warning or a summons when the officer sees a vehicle parked illegally in a handicapped space.

\*Senate Amendment "A" adds the provision on handicapped parking.

EFFECTIVE DATE: October 1, 2013

#### **COUNTERFEIT OR NONFUNCTIONAL AIR BAGS**

By law, it is a crime for anyone to sell or offer for sale a device intended to replace a motor vehicle air bag if the seller knows or reasonably should know that it does not meet federal safety standards. A violator faces a fine of up to \$2,000, up to one year in prison, or both.

The bill increases the penalty to a fine of up to \$5,000, up to five years in prison, or both and makes it a crime to manufacture, import, install, or reinstall such a device. It additionally makes it a crime, punishable by the increased penalty, to sell, offer for sale, manufacture, import, install, or reinstall a counterfeit or nonfunctional air bag, which the bill defines (see below).

It imposes the same increased penalty on someone who sells, installs, or reinstalls a device that causes a vehicle's diagnostic system to inaccurately indicate it is equipped with a functional air bag when (1) a counterfeit or nonfunctional air bag is installed.

By law, selling or offering for sale a device that the seller knows or reasonably should know does not meet federal safety standards is an unfair or deceptive trade practice (see BACKGROUND). Each sale is a separate and distinct violation. The bill also makes the above violations an unfair trade practice and makes each sale, offer for sale, manufacture, importation, installation, or reinstallation a separate and distinct violation.

Under current law, air bag fraud occurs when someone, with intent to defraud another person, knowingly installs or reinstalls an object other than a properly designed air bag. The bill expands air bag fraud to include the sale, installation, or reinstallation of a counterfeit or nonfunctional air bag with intent to defraud. The penalty for air bag fraud depends on the amount charged the person defrauded.

#### **Definitions**

Air Bag. Under the bill, an "air bag" is a motor vehicle inflatable occupant restraint system, including all component parts, such as the cover, sensors, controllers, inflators, and wiring, that (1) operates in a crash and (2) is designed according to federal motor vehicle safety standards for the specific make, model, and year of the motor vehicle in which it is or will be installed.

**Counterfeit Air Bag.** A "counterfeit air bag" is such a system that displays a mark identical or similar to the genuine mark of a motor vehicle manufacturer without that manufacturer's authorization.

**Nonfunctional Air Bag.** A "nonfunctional air bag" is a replacement air bag system that (1) was previously deployed or damaged; (2) has an electric fault detected by a vehicle's air bag diagnostic system after installation; or (3) includes any part or object, including a counterfeit

or repaired air bag cover, installed in a motor vehicle to mislead its owner or operator into believing a functional air bag has been installed.

#### ILLEGAL PARKING IN A HANDICAPPED SPACE

By law, only a motor vehicle displaying a handicapped number plate or placard may park in a space reserved for people who are blind or have disabilities. Violators are subject to a \$150 fine for a first violation and a \$250 fine for each subsequent violation. Motor vehicles parked in violation of this law for a third or subsequent time are subject to being towed.

The bill requires a municipal police officer to issue a written warning or a summons when he or she observes a vehicle parked in violation of this law.

#### **BACKGROUND**

#### Unfair or Deceptive Trade Practice

The law prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorneys' fees; and impose civil penalties of up to \$5,000 for willful violations and \$25,000 for violating a restraining order.

#### COMMITTEE ACTION

**Transportation Committee** 

Joint Favorable Substitute Yea 34 Nay 0 (03/15/2013)

**Judiciary Committee** 

### 2013SB-01040-R01-BA.DOC

Joint Favorable

Yea 44 Nay 0 (05/01/2013)